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Attorneys for Plaintiff

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA
FOR THE COUNTY OF COCHISE

TERRY PETERSON, a married man, in his
sole and separate right

Plaintiff,

v.

COMPLAINT

LOCK, STOCK & BARREL LLC, an Arizona
limited liability company; WYOMING
DREAM, LLC, a foreign limited liability
company; and JULIE A. and FRANK C.
PETERSEN, husband and wife,

Defendants.

Terry Peterson, a married man, in his sole and separate right ("Terry" or "Plaintiff"),
by and through undersigned counsel and for his claims against the above-named
Defendants ("Defendants"), alleges as follows:

1. This action is based upon the intentional wrongdoing by Defendants against Plaintiff related to an agreement for the consignment of Plaintiff's property.

2. The agreement between the parties was entered into in the County of Cochise, State of Arizona.

3. The acts and omissions supporting this claim occurred in the County of Cochise, State of Arizona.

4. Defendant Lock, Stock & Barrel LLC is an Arizona limited liability company (“LSB”).

5. Defendant Wyoming Dream, LLC is a foreign limited liability company (“Wyoming Dream”) duly registered in the State of Arizona.

6. Upon information and belief, Defendants Julie and Frank Petersen ("Petersen") are residents of the County of Cochise, State of Arizona.

7. The amount in controversy exceeds the jurisdictional threshold for this Court.

8. For these reasons, this Court has jurisdiction over the controversy stated herein, and venue is properly situated in the County of Cochise, State of Arizona.

9. Plaintiff is a married man residing in Arizona, acting in his sole and separate right.

10. Defendants Petersen are a married couple residing in Cochise County, Arizona.



1 11. At all times relevant to this action, Defendants Petersen were acting for the
2 benefit of their marital community.
3

4 12. At all times relevant to this action, LSB operated a firearm and ammunition
5 store in Sierra Vista, Arizona.
6

7 13. At all times relevant to this action, Wyoming Dream was the manager and
8 sole member of LSB.
9

10 14. At all times relevant to this action, Defendant Julie Petersen was the manager
11 and sole member of Wyoming Dream.
12

13 15. In 2015, Plaintiff entered into one of several consignment agreements with
14 LSB where LSB agreed to sell Plaintiff's firearms, ammunition, knives, merchandise, and
15 gear (collectively, the "Property").
16

17 16. Each consignment agreement was in writing.
18

19 17. Each consignment agreement provided an inventory of the Property to be
20 sold and stated that LSB would be paid twelve percent (12%) of the sale amount
21 ("Commission").
22

23 18. At all times relevant, Plaintiff dealt with Defendant Julie Petersen.
24

25 19. In 2016, Defendant LSB agreed in writing to reduce the Commission from
26 twelve percent (12%) to five percent (5%).
27

28 20. Over the next several months, Defendants sold Plaintiff's Property pursuant
29 the parties' agreements.
30



1 21. Instead of keeping 5% of the sale amount, Defendants kept almost all of the
2 money generated from the sale of the Property.

3
4 22. In all, Defendants have failed to pay Plaintiff \$24,460.58 from the sale of
5 Plaintiff's Property.

6 23. Unbeknownst to Plaintiff, shortly after entering into the consignment
7 agreement with LSB, LSB began suffering financial difficulty.

8
9 24. Upon information and belief, this financial difficulty resulted in creditors and
10 lenders seeking collection and recourse against LSB, Wyoming Dream and Defendants
11 Petersen.

12 25. Desperate, Defendants engaged in a concerted and calculated effort to keep
13 the money generated from the sale of Plaintiff's Property.

14 26. Upon information and belief, Defendants used some or all of the money
15 generated from the sale of Plaintiff's Property to pay creditors and/or lenders of LSB,
16 Wyoming Dream and Defendants Petersen.

17 27. Despite demand, Defendants have failed and refused to pay Plaintiff for the
18 money generated from the sale of Plaintiff's Property.

19
20
21 **COUNT ONE**
22 **BREACH OF CONTRACT**

23 28. Plaintiff incorporates the allegations stated above as if fully set forth herein.

24 29. Plaintiff and Defendant LSB entered into several written agreements for the
25 consignment of the Property.
26



1 30. Pursuant to these agreements, Defendant LSB agreed to sell Plaintiff's
2 Property and, in exchange, Defendant LSB would keep a 12% Commission.
3

4 31. Defendant LSB later agreed to reduce the Commission to 5%.

5 32. Defendant LSB did not pay Plaintiff according to the consignment
6 agreements.
7

8 33. Instead, Defendants kept the money from the sale generated by Plaintiff's
9 Property for their own personal gain and use.

10 34. In failing to pay Plaintiff the money generated from the sale of his Property,
11 Defendant LSB has breached the parties' agreements.
12

13 35. Despite demand, Defendants have failed or refused to pay Plaintiff the
14 money generated from the sale of the Property.

15 36. As a result of these breaches, Plaintiff has been damaged.

16 37. Plaintiff has employed an attorney to bring and prosecute this action, and as
17 this matter arises under a contract, Plaintiff is entitled to recover his attorney fees and costs
18 pursuant to A.R.S. §§ 12-341 and 12-341.01.
19

20
21 **COUNT TWO**
22 **BREACH OF DUTY OF GOOD FAITH AND FAIR DEALING**

23 38. Plaintiff incorporates the allegations stated above as if fully set forth
24 herein.

25 39. Implied in every contract is the covenant of good faith and fair dealing.
26



1 40. By failing to pay Plaintiff the money generated from the sale of the
2 Property in violation of the consignment agreement, Defendant LSB has breached the
3 covenant of good faith and fair dealing.
4

5 41. Furthermore, upon information and belief, Defendant LSB has engaged in
6 self-dealing with Plaintiff's money in violation of the parties' agreements and in breach
7 of the covenant of good faith and fair dealing.
8

9 42. Plaintiff has employed an attorney to bring and prosecute this action, and as
10 this matter arises under a contract, Plaintiff is entitled to recover his attorney fees and costs
11 pursuant to A.R.S. §§ 12-341 and 12-341.01.
12

13 COUNT THREE
14 CONVERSION

15 43. Plaintiff incorporates the allegations stated above as if fully set forth
16 herein.

17 44. Plaintiff entrusted Defendants with his Property.

18 45. Plaintiff understood and agreed that when the Property was sold, Defendants
19 would keep 5% of the sales price and Plaintiff would receive the remaining amount.
20

21 46. Defendants did in fact sell Plaintiff's Property and kept the sale proceeds for
22 their own personal use and gain.

23 47. Upon information and belief, Defendants used Plaintiff's Property, and the
24 money generated from the sale thereof, to pay lenders and creditors.
25
26



1 48. Defendants have knowingly, intentionally, and wrongfully took Plaintiff's
2 Property and have knowingly, intentionally, and wrongfully failed to pay Plaintiff for the
3 money generated from the sale of Plaintiff's Property.
4

5 **COUNT FOUR**
6 **FRAUD**

7 49. Plaintiff incorporates the allegations stated above as if fully set forth herein.

8 50. Defendants made certain representations related to the consignment of
9 Plaintiff's Property.
10

11 51. Defendants told Plaintiff that Plaintiff would be paid from the sale of
12 Plaintiff's Property.

13 52. Defendants knew these representations were false.

14 53. Defendants knew Plaintiff would rely on these representations and that
15 Plaintiff did not know that these representations were false.
16

17 54. Plaintiff relied upon these representations, which he was entitled to do.

18 55. Defendants acted knowingly, intentionally and with reckless disregard to
19 Plaintiff's rights.
20

21 56. Defendants acted in a way intended to deceive Plaintiff.

22 57. As a result of this fraudulent misconduct, Plaintiff has been damaged.

23 **COUNT FIVE**
24 **UNJUST ENRICHMENT**

25 58. Plaintiff incorporates the allegations above as if fully set forth herein.
26



1 59. Defendants have wrongfully misappropriated or otherwise taken the funds
2 generated from the sale of Plaintiff's Property.

3
4 60. There is no justification for Defendants' actions.

5 61. Defendants have used Plaintiff's Property for their own financial gain and
6 in violation of Defendant LSB's agreement with Plaintiff.

7
8 62. As a result of Defendants' misconduct and breaches, Plaintiff has been
9 damaged.

10 63. There is no remedy at law available to Plaintiff.

11 64. Plaintiff has employed an attorney to bring and prosecute this action, and as
12 this matter arises under a contract, Plaintiff is entitled to recover his attorney fees and costs
13 pursuant to A.R.S. §§ 12-341 and 12-341.01.

14
15 WHEREFORE, Plaintiff seeks judgment against Defendants as follows:

16
17 A. Award Plaintiff his contract damages resulting from Defendant LSB's
18 breaches to the parties' consignment agreement;

19 B. Award Plaintiff his tortious damages resulting from Defendants' conversion
20 of Plaintiff's Property;

21 C. Award Plaintiff his tortious damages resulting from Defendants' fraud;

22 D. Award Plaintiff his reasonable attorney fees incurred in prosecuting this
23 action;

24 E. Award Plaintiff his costs; and

25 F. Award Plaintiff such other and further relief as may be just and proper.
26

1 RESPECTFULLY SUBMITTED November 7, 2018.

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3 CLINE LAW FIRM, PLLC

4 By: /s/ Craig L. Cline

5 Craig L. Cline

6 Attorneys for Plaintiff
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